

**THE
CATHOLIC HEALTH
ASSOCIATION**
OF THE UNITED STATES



September 7, 2004

REVEREND FATHER MICHAEL D. PLACE, STD
President and Chief Executive Officer

The Honorable John D. Dingell
Ranking Minority Member
Committee on Energy and Commerce
United States House of Representatives
Washington, DC 20510

Dear Representative Dingell:

On behalf of The Catholic Health Association of the United States (CHA), the national leadership organization of more than 2,000 Catholic health care sponsors, systems, facilities, and related organizations, I am writing to express our strong support for HR 4936, the "Children's Health Protection and Improvement Act of 2004." HR 4936 would ensure that funds allocated for the State Children's Health Insurance Program (SCHIP) do not revert to the federal treasury before SCHIP is reauthorized in 2007. For the reasons outlined below, we believe it is critical that this legislation be enacted before Congress adjourns for the year, and we pledge our support in that effort.

Since its inception, SCHIP has played a critical role in ensuring that more children have access to health care. Indeed, almost six million children, who would otherwise have gone without health insurance, received coverage under SCHIP in 2003. Yet the progress that has been made in recent years cannot be taken for granted. According to a recent report from the Kaiser Commission on Medicaid and the Uninsured, enrollment of children in SCHIP declined during the second half of 2003 for the first time since the program's creation in 1997; and many states will exhaust their SCHIP funds in the coming years.

Last year, Congress wisely acted to prevent \$2.7 billion in SCHIP funds from being returned to the federal treasury. However, this legislation presented only a temporary solution and did not ensure that all available funds would remain in the program through FY 2007. HR 4936 would correct this by preventing \$1.07 billion from reverting to the treasury at the end of the current fiscal year and by reallocating a portion of the expiring funds to states that need them. Most importantly, it will establish redistribution rules that will keep *all* funds in SCHIP until the program is due to be reauthorized in 2007.

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When Congress passed the SCHIP legislation, it took a significant step forward in an effort toward accessible and affordable health care for all. Clearly, allowing *any* SCHIP funds to be returned to the federal treasury would be counterproductive to our nation's efforts to reduce the ranks of the uninsured. For that reason, we hope that Congress will take swift action on your legislation, and we offer our full support.

Sincerely,

A handwritten signature in black ink, which appears to read "Michael Place", is written over a horizontal line.

Rev. Michael D. Place, STD
President and Chief Executive Officer